

Affordable Care Act (ACA)
Internal Revenue Service (IRS) Forms
 1095-B "Health Coverage" and
 1095-C "Employer-provided Health Insurance Offer and Coverage"

Frequently Asked Questions for State of Iowa Retirees/COBRA

1.	What Forms will I receive as a State of Iowa retiree or COBRA-covered former employee?	<p>You will receive Form 1095-B and/or 1095-C from the State of Iowa or Wellmark BCBS of Iowa, depending upon when you retired/terminated and the plan in which you are enrolled.</p> <p>Retirees and former employees enrolled in COBRA in one of the State's <u>self-funded</u> health insurance plans will receive:</p> <ul style="list-style-type: none"> • Form 1095-B from the State of Iowa if you were a <u>retiree the entire 2015 tax year or were enrolled in COBRA at the beginning of the 2015 tax year.</u> • Form 1095-C from the State of Iowa if you became a retiree or enrolled in COBRA <u>during the 2015 tax year.</u> <p>State Police Officer's Council (SPOC) retirees and former SPOC-covered employees enrolled in COBRA in the State's <u>fully-insured</u> plan (Alliance Select) will receive:</p> <ul style="list-style-type: none"> • Form 1095-B from Wellmark if you were a <u>retiree the entire 2015 tax year or were enrolled in COBRA at the beginning of the 2015 tax year.</u> • Form 1095-C from the State <u>and</u> 1095-B from Wellmark if you became a retiree or enrolled in COBRA <u>during the 2015 tax year.</u>
2.	What is the purpose of Forms 1095-B and 1095-C?	<p>Forms 1095-B and/or 1095-C are provided as proof of qualifying health insurance coverage the State of Iowa offers you and your family. It contains information about who provides your health insurance, which members of your family are covered (if applicable) and the months of the year each person was covered.</p> <p>Please keep Form(s) 1095 for your tax records. They contain information you will need for completing your 2015 Federal income tax return.</p>

		<p>Only one form is provided for all covered individuals. You may need to provide copies for any dependents.</p> <p>As required by the Affordable Care Act (ACA), the information provided on Forms 1095-B and 1095-C will also be reported to the IRS.</p>
3.	What specific information is included on these Forms?	<p>Forms 1095-B and 1095-C include:</p> <ul style="list-style-type: none"> • Basic identification information about you and your former employer (the State of Iowa). • Various codes and amounts indicating the type, level, and affordability of health insurance coverage as required by law. • Each month you and any dependents were enrolled in a State of Iowa health insurance plan.
4.	What do I do with the Forms provided to me?	<p>Immediately review the form for accuracy of your personal information, such as: your name, address, Social Security number, date of birth (if included on the form), and any dependents. Are the correct dependents listed, and are their names, dates of birth, Social Security numbers correct? (See question #13 if you find an error.)</p> <p>You or your tax preparer will use the information on the Form to report health insurance coverage required for filing your 2015 Federal income tax return.</p> <p>You may need to make copies – only one Form is provided for all covered individuals on your health insurance plan.</p> <p>If you and everyone in your tax household had health insurance provided by the State of Iowa for the entire year, you will simply check the “Healthcare Individual Responsibility” box on your income tax return to indicate full year coverage.</p>
5.	Why am I required to provide proof of health insurance coverage?	<p>Under the ACA, all taxpayers <u>must comply with at least one of the following</u>:</p> <p>Have qualifying health insurance (i.e. “minimum essential coverage”) for each month of the year.</p> <ul style="list-style-type: none"> • Have an exemption from the health insurance coverage requirement. • Pay a penalty (“individual shared responsibility payment”) when filing Federal income tax returns if an exemption or qualifying health insurance coverage was not obtained for

		each month of the year. (See questions #7 & #8 below for exemption and penalty information.)
6.	What is Qualifying Health Insurance Coverage?	<p>Qualifying health insurance coverage meets ACA “minimum essential coverage” requirements. Qualifying plans include:</p> <ul style="list-style-type: none"> • State of Iowa employee group health insurance plans • Individual health insurance plans purchased directly from an insurance company, including the Health Insurance Marketplace • Health care coverage plans provided by government-sponsored programs; <ol style="list-style-type: none"> 1. Medicare Part A and Medicare Advantage plans 2. Medicaid 3. Children’s Health Insurance Program (CHIP) 4. TRICARE Comprehensive health care offered by the U.S. Department of Veterans Affairs 5. State high-risk health insurance pools (only for a plan year beginning on or before 12/31/2014, unless recognized as minimum essential coverage by HHS) 6. Health care provided to Peace Corps volunteers 7. U.S. Department of Defense Non-appropriated Fund Health Benefits Program 8. Refugee Medical Assistance
7.	How do I qualify for an Exemption?	<p>If you are not eligible for State of Iowa employee coverage and meet certain criteria for a tax year, you may be eligible for a qualifying health coverage exemption.</p> <p>If exempt, you are not required to make a “shared responsibility payment” for not having qualifying health insurance when you file your Federal income tax return.</p> <p>The “shared responsibility payment” is a penalty required for any month in which a coverage exemption or minimum essential coverage is not obtained and verified. (Health insurance gaps of less than 3 months may qualify for an exemption.)</p> <p>Exemptions may be obtained from the Health Insurance Marketplace or from the IRS when you file your tax return. (See https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/ACA-Individual-Shared-Responsibility-Provision-Exemptions)</p> <p>You may receive an exemption if you meet one of the following:</p>

		<ul style="list-style-type: none"> • The minimum premium amount you must pay for annual health insurance coverage is more than 8% of your annual household income. • You have a gap in health insurance coverage of less than 3 consecutive months. • You qualify for an exemption for one of several other reasons, including having a hardship that prevents you from obtaining coverage, or belonging to a group explicitly exempt from the requirement.
8.	What is the "Shared Responsibility Payment"?	<p>A "Shared Responsibility Payment" is the ACA's individual mandate or "penalty" required of taxpayers who fail to have qualifying health insurance coverage OR an exemption for themselves or anyone claimed on their tax return for 2015.</p> <ul style="list-style-type: none"> • The payment amount is either a percentage of income or a flat dollar amount, whichever is greater. • The payment for 2015 is the higher of: <ol style="list-style-type: none"> 1. 2% of household income, or 2. \$325 per adult, \$162.50 per child under the age of 18 (up to a maximum of \$975) <p>The amount owed is 1/12th of the annual payment for each month the taxpayer (or dependent) does not have qualifying insurance coverage OR an exemption.</p>
9.	What if I was employed by another employer or enrolled in other health insurance plans in 2015?	If you were covered by a different employer or insurance plan(s), you should receive one or more Form 1095-C or Form 1095-B from them.
10.	What information is the State of Iowa required to report to the IRS when filing the return?	<ul style="list-style-type: none"> • State of Iowa name, address, and employer identification number (EIN) • Your name, address, and Social Security Number (SSN or date of birth if a SSN is not available) • The name and SSN (or date of birth if a SSN is not available) for each individual covered under your health insurance plan, and the months for which you were enrolled in coverage and entitled to receive benefits, and • For coverage provided by a health insurance company through a group health plan, the name, address, and EIN of the employer sponsoring the plan

11.	Is the State of Iowa required by the IRS to provide SSNs for me and my dependents?	<p>Yes, reporting SSNs for all covered employees is required by the IRS to verify coverage without the need to contact you directly.</p> <p>If the State of Iowa doesn't have the SSN of a dependent, there may be IRS delays regarding authenticating coverage related to the information reported on the income tax return.</p>
12.	When will I receive Forms 1095-B and/or 1095-C?	All Forms will be mailed by February 1, 2016. If you have not received your form(s) by February 10, 2016, please contact ACA@iowa.gov .
13.	What if there is an error on my Form 1095-B or 1095-C?	<p>Upon receipt, please review the Form for accuracy – including personal information, such as your name, address, Social Security number, date of birth (if included on the form), and any dependents. Are the correct dependents listed, and are their names, dates of birth, Social Security numbers correct?</p> <p>If you identify an error on the Form, please email corrections to ACA@Iowa.gov by March 1, 2016.</p>
14.	What if I have questions about the IRS Forms 1095-B or 1095-C?	<p>If you have questions about Form 1095-B or 1095-C:</p> <ul style="list-style-type: none"> • Please email ACA@Iowa.gov • Visit: http://www.irs.gov/uac/About-Form-1095-B • Visit: http://www.irs.gov/uac/About-Form-1095-C • Visit the State of Iowa ACA webpage for employees: https://das.iowa.gov/human-resources/ACA